

FLATHEAD COUNTY WATER DISTRICT #101

POB 1141, Columbia Falls, MT 59912

*** Meeting Minutes February 3, 2026 ***

General Meeting:

I. Call to Order 7:00pm

Directors present include Hilary Shirey Shepard, Steve Fucci, Jody Mason, Linda Parker and Norm Nunnally.

Also present Clarence Taber, District customer, Tina Morrison Bondy, Board Secretary and Sasha Marletts with MAP.

II. Adoption of the Agenda - Hilary made a Motion to adopt the agenda as prepared; Jody seconded and All voted in favor.

III. Review and Approval of Minutes from January 6, 2026

Hilary clarified Item C under Legal that the district has not yet hired any law firm, but instead, she found a firm that would be willing to work with the FCWD 101 as needed.

Board discussed the Board positions and advised that although Linda's term is up in 2028, this should be verified with Flathead County. Do not believe this should be an even year. Discussion about the individual seat numbers and making sure we know who is in which position.

Steve made a Motion to approve the Minutes as drafted; Linda seconded the Motion. Hilary, Jody, Linda and Steve Voted in Favor. Norm abstained.

IV. Time for Public Comment and Discussions - 5 min limit / property owner.

Clarence made a point that when Minutes are finalized, they are to be professional and accurate.

Clarence also noted that he has been calling the 406-871-5121 contact number listed on the website and advised that no one answers and no way to leave a message.

Board discussion about the district's cell phone. This was obtained for a general manager to carry and monitor, but the district does not have anyone in that role. Hilary advised that her number is on the website and the district email is listed and monitored.

Steve made a Motion to add other Director's phone numbers to the website. Norm seconded. All voted in favor.

Hilary will change website to remove that number until there is a general manager.

V. Reports

a. Board President: Last Month Action Items Recap

b. Water Operations

Gavin provided a text to Hilary advising that he reread the meters this month as there were many missing meters initially. The second reading solved the problem; Bac T came back negative and he located a drip from a leaky valve in the pump house. Gavin put bucket down to catch the drips which drains to floor drain.

c. Financial Operations

Hilary reviewed the financial information with the Board. Noted that expenses are primarily auto pay and the auto withdrawals that help to force savings for future projects. She provided P&L and Balance Sheet and noted that as advised last meeting, the checking account in QB was overstated by about \$60k. She has now got that corrected to less than \$3k. Can now file the annual financial reports for last year.

Norm asked about the aging reports and where this fits in with the Balance Sheet. Not sure how it is set up in QB to capture for the financial reports, noting that the chart of accounts needs to be finessed. The outstanding amounts are not reflected, so the account is not yet properly categorized.

When looking at Aging Summary there are accounts need to be addressed. Board discussed some specific accounts (Allabaugh, Ferguson -205 Gordon and Gresham) that have not been paying for over a year, and the policy that these accounts get a letter and if they don't make payment arrangements, they will be disconnected. Board recommended that the letters go Certified mail so that there is a receipt.

Board continued to discuss some of the accounts that have large outstanding amounts, including McClimmon who took over 220 Gordon Ave in June of 2025. Board noted that bills are going to an address in Pennsylvania. RKR which doesn't show a billing since March 1, 2023, carrying an old balance.

Board discussed some properties that may have been sold or owners passed away that may have some bad debts going back a couple of years. Unsure of the number yet but will need to determine a course of action.

Austin Weaver texted pictures recently to Hilary and noted that he has stopped paying water bill due at least in part to the quality of the water at his home. There appears to be a lot of manganese buildup in sink. Board recommend that Gavin test the water there.

Further, accounts such as the former Phyggs Deli account that did have a meter as part of the District overhaul, yet it was never installed. They are charged and have been paying \$90 a month for a commercial meter, though the pit is currently empty. They have no access to turn on water, and have sold the property. New owner has not been paying, and Board discussed whether they even should be charged the monthly fee. Further discussion about Wolf and Robinson lots, both are vacant, had meters put in during the project, but nothing to hook up to, though are also charged the monthly fee.

Hilary continued to discuss the Reconciliation Report, noting that in November 2023, 406 Bookkeeping had it, the next reconcile was in September 2024 and was off by almost \$3k. She has gone back to 2023 and worked forward. All now balances through January 2026. She noted that she had spent about 80 hours this past month working on this, together with QB professionals.

Board last month had agreed to pay up to \$3000 for an accountant to help get these corrected. Noting that most professionals charge \$80-\$125 / hour. Steve made a Motion to pay Hilary those funds for her time on this project. Jody seconded and All voted in favor.

d. Committee Reports

Norm, as the head of the Bylaws Committee provided a Mark Up of the existing Bylaws to each board member and requested that they each go through and make changes to discuss / fix at the next meeting.

e. Admin: Website / Email Updates – None discussed.

VI. Unfinished Business

- a. Rules and Regulations, policies and procedures.** Hilary advised that we could incorporate some of these into our revised Bylaws, and now is the time to do it. Also noted that she has previously provided samples of policies and procedures from the Hungry Horse district which would be good to use as examples.
- b. Hook up fees.** Board talked with Gavin about this last month. He was going to check with contractors for installing meters. Homeowner responsible from meter to the house. Hilary provided the example that Evergreen water district has a facility fee, meter cost and combined cost. Newly added accounts pay that and then pay for the

connection. In Evergreen ¾" line facility fee is \$2500 plus they have to pay an excavator and plumber to hook up and install. Noting that there is more wear and tear with more people on the system, so there should be a cost for a connection.

Discussion regarding requests / repairs and correspondence to the district and what are the procedures for handling. Possible to use a work order that alerts the Board and can be forwarded to Gavin for follow up. Can do this using Google Docs.

Board needs to get info from Gavin around the cost of contractors, pumps, etc., for total hook up fees. Board agreed to table this to next meeting.

Board also discussed a policy that when a contractor is installing, they must provide their insurance proof before they can dig. The FCWD 101 should maintain an insurance liabilities file for these types of information.

c. Building for the Future - PER

Hilary addressed the need to find engineers to send an RFP. The district will want to apply for a grant for the PER, and Sasha noted that the funding window is going to close in May.

The District is in compliance and will be eligible for funding.

Hilary noted that there is an effort required to put the proposal together and to send out. Also discussed with the Board the need to talk with the hotel owners. They mentioned that they would be willing to participate / contribute to this further improvement of the district, as they would like more water. In lieu of drilling their own new well, it make better financial sense to contribute to the existing system.

VII. New Business - None discussed

VIII. Correspondence and Additional Discussion - None discussed

IX. Adjournment - 8:46pm

Jody made the Motion to adjourn this meeting. Linda seconded and All Voted in Favor.

-- Board announced the next General Meeting of the Board scheduled March 3, 2026, 7pm, at the Badrock Fire Department.